

February 23, 2004

**ADOPTION OF DRAFT EA AS THE FINAL EA,
FINDING OF NO SIGNIFICANT IMPACT, AND
APPROVAL OF AMENDMENT 005 TO OPERATING PERMIT NO. 00063,
REGARDING 2003 RECLAMATION PLAN FOR THE
ASARCO BLACK PINE MINE, COMBINATION MINE AREA**

Dear Reader:

In 2002, ASARCO submitted an application for Amendment 005 to Operating Permit No. 00063, proposing a partial reclamation plan for the waste rock dump at the Combination Mine at its Black Pine mine site. The partial reclamation plan was developed to reduce on-going water quality impacts caused primarily by snowmelt leaching through the waste rock dump and seeping out the toe of the dump. The plan covered interim reclamation activities that were to be performed in 2003 with final reclamation of the waste rock dump being completed in 2004.

A checklist Draft Environmental Assessment (DEA) was published on June 25, 2003. The DEA evaluated potential impacts from the partial reclamation plan (Proposed Action) and also included an Agency Mitigated Alternative. The DEA concluded that no further environmental analysis was needed.

One public comment letter was received on the DEA (see attached letter in Appendix A). As a result of the public comment letter, Department of Environmental Quality (DEQ) and US Forest Service (USFS) personnel met with ASARCO on the site to review the Proposed Action and the Agency Mitigated Alternative. ASARCO mitigated the environmental impacts of the Proposed Action by constructing a collection system to prevent contaminated water from leaving the site and providing a backup system that would be used if the seepage collection system failed. Other mitigation measures that were identified in the DEA were modified with the agencies' approval. Furthermore, the agencies agreed with ASARCO that

the mitigation measures that called for the submission of additional plans for particular activities would impede reclamation by delay and exhaustion of available funds. In these instances, DEQ and/or USFS personnel reviewed the reclamation activity on site and ASARCO performed the activities with their approval. Finally, other proposed modifications to the partial reclamation plan were reviewed and implemented in the field as the work was completed, including erosion control measures that were developed by ASARCO in a document entitled "Erosion Control Plan for 2003 Construction Activities at the Black Pine Mine Site."

The reclamation was funded from a trust set up as a result of a nationwide agreement between ASARCO, the US EPA, and the US Department of Justice. The reclamation work has been paid for out of the EPA managed trust fund. DEQ and the USFS approved the final payment for 2003 reclamation in January 2004.

DEQ adopts the Draft EA as the Final EA with one modification based on the agencies' review of the work completed in 2003. New disturbances were created during regrading, salvaging soil and relocating the USFS road in the area. ASARCO must submit an as-built map of the reclaimed area when reclamation is completed in 2004.

Stipulation 1: ASARCO must submit an as-built map of the reclaimed area when reclamation is completed in 2004. The map must be submitted with the 2004 annual report to the agencies.

Pursuant to ARM 17.4.610(6), DEQ is required to consider the substantive comments received in response to an EA and may proceed to determine that an EIS is not necessary and may make a final decision on the proposed action, with appropriate modification resulting from the analysis in the EA and analysis of public comment. DEQ has concluded that the Proposed Action modified by the mitigation measures as described in the DEA or as refined in the field would not produce significant environmental impacts. The reclamation work performed by ASARCO on the waste rock dump at the Combination mine is sufficient to reduce water quality impacts caused primarily by snowmelt leaching through the waste rock dump and seeping out through the toe of the dump until reclamation of the waste rock dump is completed in 2004. DEQ, therefore, approves Amendment 005.

DEQ and the USFS are now preparing another EA for the reclamation work to be completed in 2004. This work will complete the cleanup of contaminated soils below the Combination Dump and finish the reclamation cover system on the waste rock dump.

For more information contact: Patrick Plantenberg, P. O. Box 200901,
Helena, MT 59620, telephone (406) 444-4960; e-mail address
pplantenberg@state.mt.us.

Warren D. McCullough, Chief
Environmental Management Bureau

Date

Attachments

Appendix A: Comment Letter

File 00063.70

G:/emb/op/mepa/blackpinefeaapprov.doc

APPENDIX A

ASARCO

COPY

July 18, 2003

Mr. Patrick Plantenberg
Montana Department of Environmental Quality
Environmental Management Bureau
P.O. Box 200901
Helena, MT 59620-0901

RECEIVED

JUL 21 2003

DEPT. OF ENVIRONMENTAL QUALITY

RE: Black Pine Mine 2003 Reclamation Plan for the Combination Mine Area, Draft Checklist Environmental Assessment

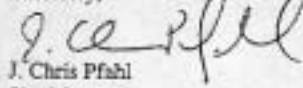
Dear Mr. Plantenberg:

Asarco has received and reviewed the June 25, 2003 checklist Environmental Assessment for the Black Pine Mine. In general, I am very disappointed in the scope of the Department's comments and proposed modifications. This is especially disconcerting since I was under the impression that we had reached some level of consensus on Asarco's proposed plan during our May 30, 2003 meeting in Helena. The Department's proposed modifications and stipulations as outlined in the checklist EA are considerable in scope and would require significant time and expense to incorporate into the 2003 reclamation schedule. It should be apparent that this level of modifications cannot be accommodated into the 2003 field schedule or project budget (as has previously been discussed between Asarco and the Department).

Therefore, in hopes of completing some level of reclamation at the Black Pine Mine this year, Asarco intends to proceed with the reclamation plan as proposed in our January 2003 reclamation plan submittal, and discussed at our May 30, 2003 meeting. Asarco has procured a contractor to do the work, and construction staking is scheduled to occur within the next couple of weeks. Construction is scheduled to start on August 15, 2003. I am attaching the construction bid package, including a design for a new storm water collection pond to be located downgradient of the relocated Forest Service Road. Also, Asarco has completed the necessary financial transactions for purchase of the Forest Service property east of the Combination Mine.

Asarco would like to continue to work with the Department in achieving an effective and efficient reclamation plan at the Black Pine Mine, however, we are committed to begin reclamation in 2003. I am more than happy to meet with you or other members of your staff at any time to discuss this issue further and will keep you informed of our plans and progress.

Sincerely,


J. Chris Pfahl
Site Manager

Enclosure